

Minutes of the Finance Committee

Wednesday, April 1, 2009

Vice-Chair Heinrich called the meeting to order at 8:30 a.m.

Present: Supervisors Jim Heinrich (Vice-Chair), Jean Tortomasi, Pamela Meyer, Steve Wimmer, and Rob Hutton. Bill Zaborowski arrived at 8:50 a.m. and Hutton left the meeting at 10:50 a.m. **Absent:** Pat Haukohl (Chair).

Also Present: Chief of Staff Mark Mader, Engineering Services Manager Gary Evans, Senior Engineering Technician Steve Brasch, Treasurer Pam Reeves, Deputy Treasurer Terry Schultz, Senior Financial Analyst Lyndsay Johnson, Administration Director Norm Cummings, Register of Deeds Jim Behrend, Collections & Business Services Manager Sean Sander, Senior Financial Analyst Linda Hein, Senior Financial Analyst Bill Duckwitz, Parks & Land Use Director Dale Shaver, Enterprise Operations Manager Andy Thelke, and Business Manager Peter Mudek. Recorded by Mary Pedersen, County Board Office.

Approve Minutes of 3-18-09 & 3-24-09

MOTION: Tortomasi moved, second by Wimmer to approve the minutes of March 18. Motion carried 5-0.

MOTION: Wimmer moved, second by Meyer to approve the minutes of March 24. Motion carried 5-0.

Schedule Next Meeting Dates

- April 22

Announcements

Tortomasi said the dispatch operations RFP is still not complete. Police and fire protocols were discussed at the last meeting and there is still no agreement between the two. There is concern that a new system will not integrate well with the current reports management system.

State Legislative Update

Mader said Health & Human Services Deputy Director Don Maurer and County Executive Dan Vrakas attended a public hearing in Racine to discuss adverse state budget impacts on Waukesha County.

Contract Procurement Process for CTH K, CTH KE, and CTH E – Culvert Design Services

Evans said the contract was awarded to K. Singh and Associates, the highest rated proposer, for a total contract cost of \$76,552. A total of six vendors submitted RFP's for consideration.

Heinrich noted the budgeted amount was the same as the actual cost and asked if that was an error. Evans said if you look at the capital project form there really is no budgeted dollar amount, it's more a range, which he explained further.

Zaborowski arrived at 8:50 a.m.

Tortomasi asked because there was such a disparity in the six cost proposals, why weren't interviews conducted? She was concerned of a possible miscommunication or misunderstanding as to the work needing to be done. Evans said this is fairly straight forward, easy work. However, staff will sit down with the vendor to discuss it further prior to signing a contract and that vendor could be disqualified if necessary.

MOTION: Wimmer moved, second by Hutton to approve the contract procurement process for CTH K, CTH KE, and CTH E – culvert design services. Motion carried 6-0.

Treasurer's Annual Report

Reeves and Schultz were present to discuss the 2008 Annual Report of the Treasurer's Office as outlined which included information on receipts and disbursements; 2007 roll collected in 2008 for each of the County's towns, cities, and villages; tax deed properties sold in 2008, etc. The available cash balance as of January 1, 2008 was \$11,555,932.99 and the available cash balance as of December 31, 2008 was \$9,209,561.61. Total 2007 tax roll collected in 2008 was \$847,226,789.04.

Zaborowski was concerned about the reduction in personal property taxes and wondered if we were losing businesses. Cummings said there are several reasons why that figure could fluctuate and is not necessarily an indication that businesses are closing. Cummings said they would look into this.

MOTION: Wimmer moved, second by Tortomasi to accept the 2008 Annual Report of the County Treasurer. Motion carried 6-0.

Year-End Report on General Funds

Cummings and Johnson were present to discuss this issue as outlined in the report entitled "2008 Year-End Budget Monitoring Summary Report – General Fund Operations." The (unaudited) report lists favorable results with under-budget spending by 2.5% or \$2.4 million of a \$97 million expenditure budget. Revenues were under-achieved by \$957,000 or -2.4% of the \$40.2 million budgeted. There is an overall favorable budget variance result of \$1.4 million or 1.5% of the budget. E-911 revenue reimbursements received of \$435,600 is designated and reserved for future years' Communications Center equipment replacements. The remaining year-end surplus is used very carefully in future budgets to reduce taxes and pay for one-time investments in programs with future cost savings or for cost avoidance purposes.

Cummings and Johnson highlighted each fund as outlined. Those that showed an unfavorable 2008 budget variance at year-end were the County Clerk (-\$1,800); Treasurer (-\$48,000); Circuit Court Services (-\$99,700); and Register of Deeds (-\$881,500). Those that showed a favorable budget variance at year-end were the County Executive (\$65,300); County Board (\$150,500);

Administration (\$51,600); Non-Departmental (\$626,600); Public Works (\$253,453); Emergency Preparedness (\$612,000); District Attorney (\$4,700); Corporation Counsel (\$36,400); Medical Examiner (\$126,200); Sheriff (\$82,400); Senior Services/ADRC (\$281,300); Public Health (\$99,200); Veterans' Services (\$9,700); UW-Extension (\$15,200); and Parks & Land Use (\$35,900).

Year-End Report on Proprietary Funds

Sander, Hein, and Thelke were present to discuss the 2008 year-end report for each of the County's enterprise and internal service funds. Those funds that showed net income loss at year-end were the Wanaki Golf Course (-\$180,562); Moor Downs Golf Course (-\$186,081); Naga-Waukee Ice Arena (-\$80,496); Eble Park Ice Arena (-\$20,101); Airport (-\$180,829); Vehicle/Equipment Replacement (-\$15,682); Central Fleet (-\$781); Risk Management/Worker's Compensation (-\$26,965); Collections (-\$65,621); and End User Technology (-\$450,858). Those funds that showed a net income at year-end were the Naga-Waukee Golf Course (\$115,977); Materials Recycling (\$1,826,510); Radio Services (\$263,691); Records Management (\$58,364); and Communications (\$5,548).

Hutton left the meeting at 10:50 a.m.

Overview of the Ice Arena Study

Shaver, Thelke, and Mudek were present to discuss the Ice Arena Study Group report dated June-August, 2008. The group consisted of individuals with corporate, municipal law, public policy, and ice arena and ice sport understanding. The study was conducted to determine if additional value could be added to the County ice arenas by better maximizing profitability, and examine a variety of ownership options. Over the course of four meetings, the group discussed an array of issues including a comparative analysis of ice arenas in Wisconsin, ice arena history, ice arena activity data, the annual operational budget, trends and forecasts, marketing efforts and sponsorships, ownership and management options, and a consideration of operational recommendations.

Staff went on to review ice arena revenue summaries for 2007, revenues by user type, ice arena contracted hours for 1993-2007, public skating admission figures, a weekly schedule (example), ice arena cost recovery vs. parks, 2008 advertising, etc.

The study group recommended continued County ownership and operation of the ice arenas. Further, the study group concluded that, given the unique nature of this type of activity, it would urge the County Board to evaluate the intrinsic value these facilities provide as regional public recreational amenities.

The ice arenas continue to generate sufficient revenues to cover annual operating costs including minor maintenance and repair. Through implementation of many of the programming recommendations, the study group felt the ice arenas would continue to generate sufficient revenues to cover annual operating costs and through a capital project, long-term facility maintenance could be completed to reduce energy costs and preserve the condition of the facilities for another 15 to 20 years.

Recommended programming includes expanding the “learn to skate” program, evaluate opportunities for dry floors, evaluate opportunities to further coordinate skating programs between the Arrowhead’s Mullett and County ice facilities, continue to establish relationships with school districts, continue to explore opportunities for hockey camps; target organizations and facilities serving senior and handicap populations, home school groups, etc. to fill ice time; and work with hockey associations to sponsor summer pick-up games/leagues.

Regarding facility management, it was recommended that staff meet with high school booster clubs and hockey clubs regarding suggested facility upgrades such as locker room improvements, scoreboards, etc. Work to establish relationships to provide donations for suggested improvements. Propose a multi-year capital project to address more significant facility maintenance needs such as flooring, painting, and mechanical system upgrades. As part of the project, County staff should examine current trends of using solar and/or geothermal systems for heating and cooling. Include as part of the capital project, energy efficient grants, and foundation and private donations for improvements.

MOTION: Tortomasi moved, second by Wimmer to adjourn at 12:11 p.m. Motion carried 5-0.

Respectfully submitted,

Approved on:_____

Pamela Meyer
Secretary